

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4445
OFFERED BY MR. TAUZIN**

Strike all after the enacting clause and insert the following:

1 SECTION. 1. SHORT TITLE.

2 This Act may be cited as the “Reciprocal Compensa-
3 tion Adjustment Act of 2000”.

**4 SEC. 2. IMPLEMENTATION OF BILL-AND-KEEP IN PLACE OF
5 RECIPROCAL COMPENSATION REQUIRE-
6 MENT.**

7 Section 251 of the Communications Act of 1934 (47
8 U.S.C. 251) is amended—

9 (1) in subsection (b)(5), by inserting before the
10 period at the end the following: “, subject to sub-
11 section (f)(3)”;

12 (2) in subsection (f), by adding at the end the
13 following new paragraph:

14 “(3) CONVERSION TO BILL-AND-KEEP.—

15 “(A) SUNSET OF RECIPROCAL COMPENSA-
16 TION REQUIREMENT.—No local exchange car-
17 rier on whose network facilities telephone ex-
18 change services or Internet telecommunications
19 originate shall be obligated to pay reciprocal

1 compensation, or any other inter-carrier com-
2 pensation, to any other local exchange carrier to
3 recover the costs associated with the transport,
4 delivery, and termination of such service or tele-
5 communications. Such costs shall be exclusively
6 recovered through bill-and-keep arrangements
7 that offset and waive recovery from the origi-
8 nating carrier, unless otherwise agreed by the
9 interconnecting carriers.

10 “(B) PRESERVATION OF EXPIRING CON-
11 TRACTS.—The provisions relating to reciprocal
12 compensation of any interconnection agreement
13 that expires within 180 days after the date of
14 enactment of the Reciprocal Compensation Ad-
15 justment Act of 2000 shall continue to apply
16 during such 180-day period.

17 “(C) NO EFFECT ON EXISTING RECIP-
18 ROCAL COMPENSATION AGREEMENTS.—This
19 paragraph does not affect the reciprocal com-
20 pensation rights of the parties to any inter-
21 connection agreement in effect on such date of
22 enactment during the existing term of any such
23 agreement.

24 “(D) GRANDFATHERED AGREEMENTS NOT
25 REQUIRED TO BE OFFERED TO OTHER CAR-

1 RIERS.—A local exchange carrier is not re-
2 quired by section 252(i) or any other legal or
3 regulatory requirement to offer to any other
4 carrier any reciprocal compensation arrange-
5 ment that is inconsistent with subparagraph
6 (A) and that is preserved by subparagraph (B)
7 or (C).

8 “(E) COMMISSION JURISDICTION EXCLU-
9 SIVE.—Internet telecommunications are inter-
10 state and interexchange communications subject
11 to the exclusive jurisdiction of the Commission.

12 “(F) POINTS OF INTERCONNECTION.—
13 Each telecommunications carrier shall negotiate
14 in good faith under subsection (c)(1) of this
15 section concerning points of interconnection for
16 transport, delivery, and termination of Internet
17 telecommunications in order to ensure network
18 integrity and service quality.

19 “(G) PROTECTION OF CONSUMER
20 PRICES.—

21 “(i) COMMISSION RULES REQUIRED.—
22 If the Comptroller General determines and
23 publishes in the report required by section
24 3(b) of the Reciprocal Compensation Ad-
25 justment Act of 2000 a finding that the

1 provisions of such Act will cause an unrea-
2 sonable increase in the aggregate or aver-
3 age costs to consumers nationwide for ac-
4 cess to the Internet, the Commission shall,
5 within 90 days after the date of publica-
6 tion of such report, prescribe a competi-
7 tively neutral, nondiscriminatory, and cost-
8 based mechanism, other than reciprocal
9 compensation or per-minute charges, to
10 maintain reasonable prices for such access
11 consistent with clause (ii).

12 “(ii) EQUIVALENT OPPORTUNITY.—In
13 any mechanism prescribed under clause (i),
14 each local exchange carrier operating in a
15 State shall have an equivalent opportunity
16 to that provided to any other local ex-
17 change carrier operating in such State to
18 recover the costs of transporting, deliv-
19 ering, or terminating Internet tele-
20 communication.

21 “(H) DEFINITIONS.—For the purposes of
22 this paragraph:

23 “(i) The term ‘Internet telecommuni-
24 cations’ means telecommunications to the
25 Internet or to an Internet service provider.

1 “(ii) The term ‘existing term’ means
2 the initial period of any interconnection
3 agreement and does not include any period
4 provided for negotiation or any extension
5 of the initial period.

6 “(iii) The term ‘Internet service pro-
7 vider’ means a provider of access to the
8 Internet. Such term does not include tele-
9 communications services.”.

10 **SEC. 3. GENERAL ACCOUNTING OFFICE STUDY.**

11 (a) STUDY REQUIRED.—The Comptroller General
12 shall conduct a study on the effects, if any, the enactment
13 of this Act will have on the costs to consumers for access
14 to the Internet. Such study shall consider, among other
15 things—

16 (1) the state of competition in the dial-up Inter-
17 net access market;

18 (2) empirical evidence regarding the effect on
19 consumers prices of bill-and-keep arrangements in
20 States that have adopted such arrangements; and

21 (3) the relative market share of incumbent and
22 competing local exchange carriers serving sub-
23 scribers in the business of providing Internet access
24 services to consumers.

1 (b) REPORT REQUIRED.—Within 90 days after the
2 date of enactment of this Act, the Comptroller General
3 shall submit to the Committee on Commerce of the House
4 of Representatives and the Committee on Commerce,
5 Science, and Transportation of the Senate a report on the
6 study required by subsection (a). Such report shall include
7 a finding concerning whether the provisions of this Act
8 will cause an unreasonable increase in the aggregate or
9 average costs to consumers nationwide for access to the
10 Internet.